



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Resolution in support of California Economic Development Financing Authority's Issuance of Industrial Development Bonds to Arkay Industries, Inc.

MEETING DATE: December 17, 1996

PREPARED BY: City Manager

RECOMMENDED ACTION: That the City Council adopt the attached resolution showing the City of Lodi's full support of Arkay Industries, Inc.'s application to the State of California's Economic Development Financing Authority for Industrial Development Bond financing.

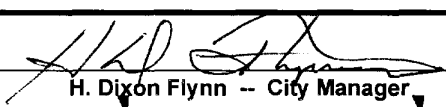
BACKGROUND INFORMATION: For the past several months, the City of Lodi and other members of TEAM California have actively pursued Arkay Industries, Inc. and have encouraged them to locate their West Coast manufacturing facility within the City of Lodi.

Incentives, with which the Council is familiar, were offered Arkay as inducement to favor Lodi and the State of California over other northern California communities and the State of Arizona. Part of the incentive package included the opportunity to apply for Industrial Development Bond financing through the California Economic Development Financing Authority. The purpose of the attached resolution is to show that the City of Lodi fully supports Arkay's efforts to obtain the appropriate approvals from the State of California's Debt Limit Allocation Committee and the State of California's Industrial Development Financing Advisory Commission.

Arkay Industries, Inc. will initially build a 30,000 to 35,000 square foot facility on a 6.69 acre parcel in the Beckman Industrial Park. Their intentions are to eventually expand to a 60,000 square feet manufacturing plant within two years. Arkay will provide 50 new permanent jobs during the first year of operation. They will increase the size of its workforce to approximately 120 employees as plant expansion occurs.

Arkay Industries, Inc. is a nationally and internationally recognized company specializing in custom plastic injection molding products and assemblies. Their products include: automobile dashboards and consoles, computer frames and storage containers. Arkay distributes product throughout the US and Japan. Customers include: General Motors, Toyota, Subaru, Honda, Mercedes and IBM, to name a few.

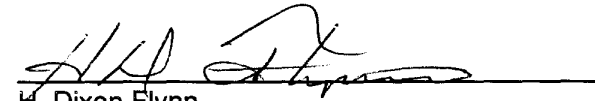
APPROVED: _____


H. Dixon Flynn -- City Manager

The Lodi plant will be Arkay's only West Coast manufacturing and distribution facility. It will provide needed employment opportunities, sales tax revenue and international exposure to the community. Arkay Industries, Inc. is projecting sales totaling approximately \$120 million for the 1996-97 fiscal year.

FUNDING: Not Applicable

Respectfully submitted,


H. Dixon Flynn
City Manager

Prepared by: Tony C. Goehring
Economic Development Coordinator

RESOLUTION NO. 96-190

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI
IN SUPPORT OF THE REQUEST OF ARKAY INDUSTRIES, INC. FOR
INDUSTRIAL DEVELOPMENT BOND FINANCING

WHEREAS, the San Joaquin Valley in general and the City of Lodi in particular would benefit from industrial development within the City of Lodi; and

WHEREAS, the City of Lodi has actively pursued Arkay Industries, Inc. and encouraged them to locate within the City of Lodi; and

WHEREAS, Arkay Industries, Inc. of Miamisburg, Ohio has chosen to expand to this community by the establishment of its West Coast facility in Lodi; and

WHEREAS, the community will benefit from the employment opportunities which Arkay Industries, Inc. brings to the community both immediately and through anticipated expansion.

NOW, THEREFORE, BE IT RESOLVED that the City Council:

1. Fully supports Arkay Industries, Inc. in its efforts to secure Industrial Development Bond financing through its application to the California Economic Development Financing Authority; and

2. Supports the issuance of the requested Industrial Development Bond financing as being consistent with the efforts of the State of California (TEAM CALIFORNIA) to encourage the development of industry and jobs within the State and local communities; and

3. Requests that all state agencies take all actions necessary in order to approve the application for Industrial Development Bond financing submitted by Arkay Industries, Inc. so that it and the City of Lodi can benefit from this economic development project.

Dated: December 17, 1996


I hereby certify that Resolution No. 96-190 was passed and adopted by the City Council of the City of Lodi in a special meeting held December 17, 1996, by the following vote:

AYES: COUNCIL MEMBERS - Land, Mann, Sieglock, Warner
and Pennino (Mayor)

NOES: COUNCIL MEMBERS - None

ABSENT: COUNCIL MEMBERS - None

ABSTAIN: COUNCIL MEMBERS - None


JENNIFER M. PERRIN
City Clerk